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1 A bill to be entitled
2 An act relating to direct-support organizations;
3 amending s. 402.57, F.S.; authorizing the Department
4 of Children and Families to establish a direct-support
5 organization for a specified purpose; specifying
6 criteria for the direct-support organization;
7 requiring the direct-support organization to operate
8 under written contract with the department; providing
9 requirements for the contract; requiring the Secretary
10 of Children and Families to appoint a board of
11 directors for the direct-support organization;
12 providing for appointment of board members;
13 authorizing the department to allow the direct-support
14 organization to use, without charge, the department's
15 fixed property, facilities, and personnel services,
16 subject to certain requirements; defining the term
17 "personnel services"; authorizing the direct-support
18 organization to collect, expend, and provide funds for
19 specified purposes; prohibiting the use of such funds
20 for lobbying purposes; authorizing moneys to be held
21 in a separate depository account in the name of the
22 direct-support organization, subject to certain
23 requirements; requiring the direct-support
24 organization to provide for annual audits; providing
25 for future repeal; amending s. 1001.453, F.S.;
26 authorizing district school boards to contract with
27 direct-support organizations for personal services or
28 operations, subject to certain limitations; revising
29 the amount of expenditures and expenses a direct-

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30 support organization must have to be required to
31 provide for an annual financial audit; authorizing
32 district school boards to contract with a vendor for
33 such audits; providing an effective date.
34

35 Be It Enacted by the Legislature of the State of Florida:
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37 Section 1. Section 402.57, Florida Statutes, is amended to
38 read:

39 402.57 Direct-support organizations ~~organization~~.—

40 (1) DEPARTMENT OF CHILDREN AND FAMILIES.—The Department of
41 Children and Families is authorized to create a direct-support
42 organization, the sole purpose of which is to support the
43 department in carrying out its purposes and responsibilities.

44 (a) The direct-support organization must be:

45 1. A not-for-profit corporation incorporated under chapter
46 617 and approved by the Department of State as a not-for-profit
47 corporation;

48 2. Organized and operated to conduct programs and
49 activities; to raise funds; to request and receive grants,
50 gifts, and bequests of moneys; to acquire, receive, hold,
51 invest, and administer, in its own name, securities, funds,
52 objects of value, or other property, real or personal; and to
53 make expenditures to or for the direct or indirect benefit of
54 the department and the individuals it serves; and

55 3. Determined by the department to be operating in a manner
56 consistent with the goals and purposes of the department, the
57 best interest of the state, and the needs of children and adults
58 served by the department.

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59 (b) The direct-support organization shall operate under a
60 written contract with the department. The contract must provide
61 for all of the following:

62 1. Department approval of the articles of incorporation and
63 bylaws of the direct-support organization.

64 2. Submission of an annual budget for department approval.

65 3. Certification by the department that the direct-support
66 organization is complying with the terms of the contract and
67 operating in a manner consistent with the goals and purposes of
68 the department and in the best interest of the state. Such
69 certification must be made annually and reported in the official
70 minutes of a meeting of the direct-support organization.

71 4. The reversion to the state of moneys and property held
72 in trust by the direct-support organization for the benefit of
73 those served by the department if the department ceases to exist
74 or the reversion to the department if the direct-support
75 organization is no longer approved to operate for the
76 department, a county commission, or a circuit board or ceases to
77 exist.

78 5. The fiscal year of the direct-support organization,
79 which must begin July 1 of each year and end June 30 of the
80 following year.

81 6. The disclosure of material provisions of the contract,
82 and the distinction between the department and the direct-
83 support organization, to donors of gifts, contributions, or
84 bequests, including such disclosure on all promotional and
85 fundraising publications.

86 (c) The Secretary of Children and Families shall appoint
87 the board of directors of the direct-support organization. The

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88 board members shall be appointed according to the organization's
89 bylaws.

90 (d) The department may allow, without charge, appropriate
91 use of fixed property, facilities, and personnel services of the
92 department by the direct-support organization, subject to the
93 requirements of this section. As used in this subsection, the
94 term "personnel services" includes full-time or part-time
95 personnel, as well as payroll processing services.

96 1. The department may not allow a direct-support
97 organization to use any fixed property, facilities, or personnel
98 services of the department if the direct-support organization
99 does not provide equal membership and employment opportunities
100 to all persons regardless of race, color, religion, sex, age, or
101 national origin.

102 2. The department may prescribe any conditions with which a
103 direct-support organization must comply to use fixed property,
104 facilities, or personnel services of the department and shall
105 adopt rules prescribing those conditions and the procedures by
106 which the direct-support organization is governed.

107 (e) The direct-support organization may collect, expend,
108 and provide funds for:

109 1. Addressing gaps in services for the children and adults
110 served by the department.

111 2. Development, implementation, and operation of targeted
112 prevention efforts.

113 3. Services and activities that support the goals of the
114 department.

115 4. Functions of the direct-support organization's board of
116 directors, as necessary and approved by the department.

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118 The funds of the direct-support organization may not be used for
119 the purpose of lobbying as defined in s. 11.045.

120 (f) Any moneys may be held in a separate depository account
121 in the name of the direct-support organization and subject to
122 the provisions of the contract with the department.

123 (g) The direct-support organization shall provide for an
124 annual financial audit in accordance with s. 215.981.

125 (h) This subsection is repealed October 1, 2028, unless
126 reviewed and saved from repeal by the Legislature.

127 (2) CHILDREN AND YOUTH CABINET.—The Department of Children
128 and Families shall establish a direct-support organization to
129 assist the Children and Youth Cabinet established in s. 402.56
130 in carrying out its purposes and responsibilities, primarily
131 regarding fostering public awareness of children and youth
132 issues and developing new partners in the effort to serve
133 children and youth by raising money; submitting requests for and
134 receiving grants from the Federal Government, the state or its
135 political subdivisions, private foundations, and individuals;
136 and making expenditures to or for the benefit of the cabinet.
137 The sole purpose for the direct-support organization is to
138 support the cabinet.

139 (a) The direct-support organization must be:

140 1. ~~(a)~~ Incorporated under chapter 617 and approved by the
141 Department of State as a Florida corporation not for profit.

142 2. ~~(b)~~ Organized and operated to make expenditures to or for
143 the benefit of the cabinet.

144 3. ~~(c)~~ Approved by the department to be operating for the
145 benefit of and in a manner consistent with the goals of the

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146 cabinet and in the best interest of the state.

147 (b)~~(2)~~ The board of directors of the direct-support
148 organization shall consist of seven members appointed by the
149 Governor. Each member of the board of directors shall be
150 appointed to a 4-year term. However, for the purpose of
151 providing staggered terms, the initial appointments shall be for
152 either 2 years or 4 years, as determined by the Governor.

153 (c)~~(3)~~ The direct-support organization shall operate under
154 a written contract with the department.

155 (d)~~(4)~~ All moneys received by the direct-support
156 organization must be deposited into an account of the direct-
157 support organization and shall be used in a manner consistent
158 with the goals of the cabinet.

159 (e)~~(5)~~ This subsection ~~section~~ is repealed October 1, 2024,
160 unless reviewed and saved from repeal by the Legislature.

161 Section 2. Paragraphs (a) and (c) of subsection (2) and
162 subsection (4) of section 1001.453, Florida Statutes, are
163 amended to read:

164 1001.453 Direct-support organization; use of property;
165 board of directors; audit.—

166 (2) USE OF PROPERTY.—A district school board:

167 (a) Is authorized to:

168 1. Permit the use of property, facilities, and personal
169 services of the district by a direct-support organization,
170 subject to ~~the provisions of this section;~~ or

171 2. Contract with a direct-support organization for personal
172 services or operations. However, a retiree of the Florida
173 Retirement System must first satisfy the requirements for
174 termination from employment provided in s. 121.021(39) before

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175 providing such services or operations for a Florida Retirement
176 System employer, and is subject to the reemployment limitations
177 provided in s. 121.091(9).

178 (c) May ~~shall~~ not permit the use of property, facilities,
179 or personal services by ~~of~~ a direct-support organization if such
180 organization does not provide equal employment opportunities to
181 all persons, regardless of race, color, religion, sex, age, or
182 national origin.

183 (4) ANNUAL FINANCIAL AUDIT.—Each direct-support
184 organization with more than \$250,000 ~~\$100,000~~ in expenditures or
185 expenses shall provide for an annual financial audit of its
186 accounts and records, to be conducted by an independent
187 certified public accountant in accordance with rules adopted by
188 the Auditor General pursuant to s. 11.45(8) and the Commissioner
189 of Education. A district school board may contract with a vendor
190 for an annual financial audit of a direct-support organization.
191 The annual financial audit report shall be submitted within 9
192 months after the fiscal year's end to the district school board
193 and the Auditor General. The Commissioner of Education, the
194 Auditor General, and the Office of Program Policy Analysis and
195 Government Accountability have the authority to require and
196 receive from the organization or the district auditor any
197 records relative to the operation of the organization. The
198 identity of donors and all information identifying donors and
199 prospective donors are confidential and exempt from ~~the~~
200 ~~provisions of~~ s. 119.07(1), and that anonymity shall be
201 maintained in the auditor's report. All other records and
202 information shall be considered public records for the purposes
203 of chapter 119.

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Section 3. This act shall take effect upon becoming a law.